# THE LEONARD LETTER

A weekly electronic newsletter

from

Bill Leonard, Member

State Board of Equalization

November 3, 2003

"[L]iberty may be endangered by the abuses of liberty, as well as by the abuses of power." James Madison, Federalist No. 63

### ON THE FIRE LINE

### \*\*\*Proximate Cause of Disaster\*\*\*

The immediate blame for the devastating fire in San Bernardino's mountains goes to whoever lit the match. However, from a public policy perspective, the proximate blame is a horribly incompetent forest management plan and the warped protection of endangered species, driven not by the needs of nature but by the far-left of the environmental movement

These environmentalists for years have pushed the philosophy that no trees should be cut down and no controlled burns should be permitted. They believe that both activities damage the forest and wildlife. It may defy common sense to cut down a perfectly healthy tree, but a look at how nature manages forests teaches us otherwise. Nature will not put more trees in area than there is water to nurture. Nature will not allow undergrowth to overwhelm the larger trees or to provide a means for fire to climb into the treetops. When a forest is well-managed—by nature or humans—trees do not overgrow and the natural debris on the forest floor is kept in check so it does not become a fire hazard. Indeed, regular small fires actually encourage growth and even bring up plants that need extreme heat to cause the seeds to germinate. Nature designed the forest to live with, and even rely upon, fire.

Yet, when environmentalists control forest management, nature is ignored. If no trees are cut down, soon there will not be enough water to properly nourish all the trees. (Figures vary, but the ideal density for trees in this forest is between 30 and 50 per acre. The actual number of trees in the San Bernardino mountain per acre is 500.) Those weakened trees become more susceptible to disease and infestation. Enter the bark beetle. The beetle began attacking trees in the overgrown San Bernardino National Forest and environmentalists still would not allow selective cutting of trees to help prevent the spread of the infestation.

Disaster was predicted and has now come to pass. You do not see this kind of infestation, and subsequent fires, in private forest land because their foresters are not constrained by the media-driven antics of the political left. However, the mountains were fortunate this time. While my heart goes out to those whose homes burned, most of the beetle-infested trees were untouched.

So the debate will continue between foresters, landowners, community leaders, and legislators who wish to see these trees removed and the radical environmentalists who oppose even the logging of dead trees. The radicals have be warned unless these trees are removed, the next disaster (and it will come) will be on their shoulders.

The policies that implement the Endangered Species Act are extreme and have also wreaked havoc. Attorney and commentator Hugh Hewitt said, "Nowhere more so than in Southern California has more time and money been invested in the idea that government bureaucrats (working with environmental activists, using the money scalped from landowners) can build a better nature than local governments and the market would otherwise deliver. The stubborn fact is California has never had fires of this magnitude. Now that the federal government is running a huge portion of land use, disaster strikes. The core problem is that species protection prohibits many ordinary fire precautions." This was certainly the case in the foothills of Rancho Cucamonga and Fontana where fire raced toward homes and local officials were helpless to clear the brush because of protected bushes, birds and rats.

We are saddened by the deaths and the damage wrought by these fires, but we cannot only blame the flames themselves. Policies, decisions and practices carried out by human beings created the situation that enabled the fires to run wild. We should be ashamed that we allowed it to happen, and we must fight with all our might to prevent it from happening again.

# \*\*\*One Good Policy Move\*\*\*

With the Old fire winding down it is appropriate to thank those leaders in Caltrans who listened to the entire community of Lake Arrowhead by refusing to follow their bureaucrats' advice to close State Highway 173. Highway 173 is the only unpaved state highway in California. It is also the only evacuation route to the north for the entire Lake Arrowhead basin. If that highway had been closed, thousands of people would have had to leave the mountain last week by driving through the fire lines. I remember trying to explain this fact of life on the mountain to a Caltrans engineer who did not get it. This important route should be paved, but I thank God that it is available when needed.

#### \*\*\*On Fire and Taxes\*\*\*

The economic garbage that appears after a disaster is too sad to be funny. Some misguided people suggest that rebuilding the thousands of destroyed homes will start an economic boom. Balderdash. The builders' and laborers' time would be better spent

building new houses instead of replacing those that have been destroyed. The insurance money now being spent paying claims to victims would be better spent investing in the California economy. Burning things down never grew an economy.

Even while the fires are still burning a <u>Los Angeles Times</u> columnist George Skelton is suggesting that this disaster makes it possible for Governor Schwarzenegger to break his vow to not increase taxes. Schwarzenegger is too smart to bite on this red herring. The problem is not the lack of tax revenues; the problem is the budget priorities. The California Legislature and Governor have underfunded the California Department of Forestry and Fire for years. It is the height of dishonest budgeting because their annual expense to fight fires is always above their budget, yet this fact is ignored. It is a big leap to say that taxes are now needed to fight fires. Rather, we should be leaping on government officials for their shortsighted decisions on previous budgets.

#### **ISSUE FOCUS**

#### \*\*\*Car Tax Refunds\*\*\*

We know that our Governor-elect has pledged to rollback the car tax increase, and we know that the Howard Jarvis Taxpayers Association has filed a lawsuit to overturn the tripling. In the meantime, though, many of you are paying the increased fee and need to take action to eventually get a refund. The Howard Jarvis Taxpayers Association has a website with all the instructions you need: <a href="http://www.hjta.org/cartaxrefund.htm">http://www.hjta.org/cartaxrefund.htm</a>

# \*\*\* Trains, Trucks, Traffic\*\*\*

The following are excerpts from a speech recently delivered by William E. Leonard. In addition to being my father, he is recognized as an expert on California transportation issues, having served on both the State Highway Commission and the California Transportation Commission. I thought his review of the mess our roads are in would be of interest:

The state highway system was developed in the 1950s, mainly along the railroad lines but also into the expanding suburbs. Those highways are now under heavy pressure to carry the cargo that comes into the ports of Los Angeles and Long Beach, but as traffic congestion grows, trucks are increasingly unable to meet the demand. Truck traffic is estimated to grow by 50% in the port-inland corridor by 2020. New intermodal facilities are being built to handle the growth in freight containers. The yard in San Bernardino does 420,000 container lifts per year and is rapidly approaching its maximum of 500,000 lifts per year. By 2020, it will need to handle twice as much, and it is not alone.

California built the nation's finest system of freeways in the 1950s and 1960s, but in the 1970s began falling behind. We have not been able to close freeway gaps, complete safety projects or even rehabilitate those stretches that have become obsolete. Two specific cases in my hometown of San Bernardino demonstrate the dismal situation of our

highway investment. After a wait of 54 years the Foothill Freeway is finally nearing completion in 2006. However, one of the freeways it is supposed to connect to, State Route 215, has been waiting for improvements (expansion to a full eight-lanes and eliminating the dangerous left-lane on-and off-ramps) for decades. That project has now been put on hold because of the state budget crisis.

Back when the state had money (a cash balance of \$2 billion dollars in motorist-paid fuel taxes), Caltrans would not move projects quickly. A cash balance of that huge amount was a temptation that neither the Governor nor Legislature could resist; the balance is now zero because the money was used to backfill the general fund. There are no new projects in the State Transportation Improvement Program, nor will there be any for at least three years because the general fund simply will not be able to repay the trust fund.

#### **MISCELLANY**

#### \*\*\*Three More Words to Know\*\*\*

Each week, the Leonard Letter features a few of the words from a list of 100 words that some educators say every high school student should know. The full list may be viewed at

http://www.houghtonmifflinbooks.com/booksellers/press\_release/100words/.

- 64. Oxidize (v.) --- To combine with oxygen; make into an oxide: Oxides of nitrogen degrade the quality of California's air but dramatically so when arson terrorists light up our wildlands.
- 65. Parabola (n.) --- A plane curve formed by the intersection of a right circular cone and a plane parallel to an element of the cone or by the locus of points equidistant from a fixed line and a fixed point not on the line: *The new parabolic skis make it easier to execute quick turns, a talent that politicians have had for generations.*
- 66. Paradigm (n.) --- A set of assumptions, concepts, values, and practices that constitutes a way of viewing reality for the community that shares them, especially in an intellectual discipline: Arnold Schwarzenegger's election may well constitute a shifting paradigm for California voters who are tired of politics as usual.

# **BOE AND LEGISLATIVE DATES**

**November 1** --- Property Tax Bills Mailed: The county tax collector is responsible for preparing tax bills. Bills for the regular secured assessment roll are mailed November 1 and are due in two equal installments. The first installment of the real property taxes and all taxes on personal property in the secured roll are due and must be paid in full by December 10.

**November 15** --- Statement of the Vote --- The last day for the Secretary of State to prepare, certify, and file a statement of the Vote.

**November 17** --- Swearing-in of Governor Schwarzenegger.

November 18 & 19 --- BoE meets in Sacramento.

**November 24** --- Sales and Use Taxes: October prepayment for fourth quarter is due. Special relief in the form of one-month extension of time to file and pay taxes or fees is available in those are (Los Angeles, Riverside, San Bernardino, San Diego, and Ventura) the Governor has declared a state of emergency for those who are unable to pay their taxes on time due to the recent wildfires. To request an extension, you must file two forms, BoE 468, Request for Extension, and BoE 27, Penalty and Interest Relief for Disaster Victims. Both are available at www.boe.ca.gov. Or by calling 1-800-400-7115.

**December 4** --- BoE meets in Sacramento.

**January 5, 2004** --- Legislature reconvenes.

### NOTABLE DATES/ HISTORY

**November 3, 1868 ---** First black elected to Congress (John W Menard, Louisiana)

**November 4, 1845** --- First nationally observed uniform election day in U.S.

**November 4, 1980 ---** Ronald Reagan (R) beats President Jimmy Carter (R) by a landslide

November 5, 1872 --- Susan B Anthony fined \$100 for trying to vote for Ulysses S Grant

**November 5, 1940 ---** President FDR (D) wins unprecedented 3rd term beating Wendell Willkie (R)

**November 6, 1862 ---** NY-San Francisco direct telegraphic link established

**November 7, 1805 ---** Lewis & Clark 1st sight Pacific Ocean

November 7, 1917--- October Revolution (Oct 26 OS) in Russia, Lenin seizes power

**November 8, 1966 ---** Ronald Reagan elected governor of California

**November 9, 1938 ---** "Kristallnacht" (Crystal Night)-Nazi stormtroopers attacked Jews

## GENERAL TAX INFORMATION

For answers to your general tax questions, call the Board of Equalization information center. Customer service representatives are available to help you from 8:00 a.m. to 5:00 p.m. Pacific time, Monday through Friday (except state holidays).

Toll-free number: 800-400-7115

TDD service for the hearing impaired

TDD phones: 800-735-2929 Voice phones: 800-735-2922

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